Distribution of Central Revenue to States

4317. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Eleventh Finance Commission has changed the formula for distribution of Central Revenue to the States;

(b) whether it is also a fact that this has turned some States upside down; and

(c) if so, the details of the States' share for the last year with the Eleventh Finance Commission formula and with the Tenth Commission formula?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Eleventh Finance Commission has determined the *inter-se* percentage share of States in Central taxes and duties on the basis of population, income (distance method), area, index of infrastructure, tax effort and fiscal discipline. The criteria and norms adopted by the Commission have been applied uniformly to all States. Finance Commissions laydown the criteria for determining the share of transfers between States, from time to time, keeping in view their assessment of the States' requirements, and the need for horizontal equity.

(c) The total estimated transfers recommended by Tenth Finance Commission and Eleventh Finance Commission are given in the Annexure *[See* Appendix 195, Annexure No. 42]

Shortage of small Currency Notes

4318. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that currency notes of smaller denomination are in acute shortage;

(b) if so, the steps Government have taken in the matter;

(c) whether there are any plans to introduce plastic currency notes on account of its durability; and